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Washington, D.C. 20505

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National Intelligence Council

NIC 01017-86  
27 February 1986

MEMORANDUM FOR: Director of Central Intelligence  
Deputy Director of Central Intelligence

FROM: Graham E. Fuller  
Vice Chairman, National Intelligence Council

SUBJECT: New Fluidity on the International Scene?

1. The international situation presents a picture of considerable fluidity--many problems and a few opportunities. While fluidity is obviously always present in international politics--and especially in the Third World--it springs in part from some long-term generic factors worth identifying, and is increased by a number of other more topical developments.

-- We do not believe this present state of fluidity is exceptional but may be part of a longer-term trend of growing diversity of players on the foreign policy spectrum--greatly complicating the policymaker's job.

2. The major source of turmoil in the world springs from the chronic state of instability in the Third World as a whole. This instability poses no favoritism in moving against the established interests of both the US and the USSR. Neither the US nor the USSR is capable of controlling this instability.

-- A major difference, however, is that much of the time instability tends to favor Soviet interests and work against the Western goal of a moderate, controlled, stable evolution of the political process. When the USSR gains greater stake in the continued smooth existence of many Third World states, however, the problem of instability becomes greater for them as well.

3. Generic Problems of the Third World. There are a number of generic issues--well known to us all--which help keep the Third World in a state of turmoil. These include:

  
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- A narrow leadership cadre which is unrepresentative of most of the population.
- Historic ethnic and religious differences within states lacking historically defined boundaries or history of national unity.
- The tendency to maintain power through force and intimidation.
- The acquisition of arms at great cost; a willingness to use these arms both to maintain domestic control and against neighbors.

4. These generic weaknesses are further expressed in the weakness of the political leadership of most Third World countries. This weakness and inability to solve political problems at home leads to:

- A willingness to blame and attack foreign enemies as the source of one's internal problems--especially to blame the West and dark forces of "imperialism."
- A willingness to employ terror as a cheap and effective way to be heard on the international scene.
- An unwillingness or inability to bite the bullet on economic problems--both from fear of allowing a free pluralistic economy to emerge and from unwillingness to pay the political cost required by economic discipline.
- A willingness to accept narcotics trafficking both to gain profit from it as well as a desire to avoid expending power to stop it.

5. In the face of growing instability there are few forces within the world keenly interested in taking initiatives to alter this situation. Western Europe and Japan when confronted with challenges seem more interested in not further rocking the boat and in avoiding confrontation, than in undertaking potentially controversial initiatives to deal with root problems. European fears grow as root problems raise the prospect of ideological struggle or East-West conflict.

6. Some Topical Issues. Apart from generic problems that have long been with us, there are some problems more specifically topical which are heightening turmoil and instability in the world and contribute importantly to the present cycle of fluidity.

- The new leadership in the USSR. The relatively comfortable predictability of a series of geriatric Soviet leaders has given way to a younger, more agile command in Moscow. Their sense of PR is much improved; their reaction time is faster; there is a greater determination to address tactical issues actively and flexibly. Soviet ability to project its power continues to grow.

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- The continuing poor state of the commodities market continues to affect nearly every Third World producer.
- The fall of oil prices--bringing bad news to some, good news to others.
- The debt crisis seems to be reaching a head in a variety of countries creating dangerous political and economic instability, threatening regimes close to the US. These debt-related crises urgently require generic policies to treat them.
- The peace process in the Middle East has collapsed, removing whatever fig leaf of hope there was from countries facing volatile movements of nationalism and religion on their political fronts.
- Precedent-making rise of anti-Marxist-Leninist insurgencies in some six Soviet client states.
- East Asia--once a gratifying showplace of economic progress--is now facing economic recession of unpredictable duration. The authoritarian regimes which helped create these booms are under challenge. Problems of succession especially are emerging in the Philippines, Taiwan, China, South Korea, Singapore, North Korea, Thailand, and Indonesia.
- Africa continues to decline into chaos and a morass of insoluble economic problems. Here too we face an end of a long string of African leaders who possessed the authority of the anti-colonial struggle now replaced by newer faces with less legitimacy.
- Latin America has shown encouraging moves toward installation of democratic governments, but inevitably these more open governments are subject to greater instability on a regular basis than are dictatorships.
- Even where the US profits from Soviet troubles with anti-Soviet insurgencies in their client states, these struggles spill over into neighboring countries creating yet new problems for the US. Afghanistan deeply engages Pakistan and even India; Angola touches South Africa; Nicaragua affects Salvador and Honduras; Cambodia impinges upon Thailand; Ethiopia draws in Sudan, etc.
- At least two other states of major importance to the US are undergoing severe turmoil: the Philippines and South Africa. Both involve critical US interests and had not, until the last 6 to 9 months, been deemed as imminently volatile.

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- Nuclear proliferation problems already pose deeply destabilizing problems in the Indian sub-continent and loom down the road between Israel and the Arab states and between Brazil and Argentina. (Yet some tentative initial studies suggest that these weapons conceivably could possibly have a sobering impact upon states in conflict.)
- The long-deadlocked Iran-Iraq war could possibly still lead to rapid strategic change in either Iran, Iraq or both.
- Instability stemming from terrorism and radical insurgent movements is also a direct product of our technological era. Groups once destined to local obscurity now enjoy worldwide prominence as they establish regular contact by telephone and cable, employ the international media to push their line, enjoy international air schedules to meet with other bloody-minded colleagues worldwide, draw upon international sympathies which lend justification to their cause, invoke trendy intellectual theories to vindicate their methods and goals, and increasingly play on the stage of a global village once non-existent.
- Education and the international media ironically have not served to homogenize beliefs and create greater tolerance; on the contrary it has in part strengthened regionalism, religious particularism, and ethnic chauvinism. The Oxford education enables the African tribesman's son to publicize--not submerge--his particularistic cause. And the thirst to return to one's own roots and religion--often expressed in radical terms--partly stems from the assault of Western and international culture upon local tradition.

7. All these trends are natural objects of manipulation by the USSR through assistance to insurgent elements, provision of shelf-item ideological theories, arms, and exacerbation of local traditions of endemic violence. Perhaps violent actors will always find some source of support somewhere, but the collective danger is heightened as it is allied with a superpower, its allies and certain rabidly anti-US posturers.

8. The US foreign policy mechanism may not be able to cope with a growing flow of unstable situations that require careful policy considerations. While general principles can serve as guidelines to policy, nearly every situation requires US tactical decisions informed by the most accurate intelligence on the long-range nature of the problem and early policy review designed to anticipate, and not react to, problems. We still lack systematic policy group measures to make fullest use of intelligence to foresee and manage crises well early on. With a few exceptions, the onslaught of instabilities are moving to overwhelm USG capabilities to cope.

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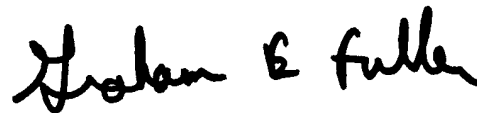
9. With fluidity comes opportunities for the US as well.

- The Soviets increasingly face the dangers of instability. Their Third World clients with the exception of Cuba and Vietnam are under internal siege to one extent or another. East Europe is moving toward graver financial crisis and potential restiveness. The Soviets likewise are hardly free of mistakes; even under Gorbachev they have already badly handled both the PDY and Philippine crises--"activism and imagination" notwithstanding.
- The world is growing increasingly multipolar, polycentric and diffuse. More and more major actors are appearing on the scene with ability to act in ways that both assist and weaken US policy goals. Many of these players cannot be placed clearly in either the Soviet or American camps.
- Ultimately the US should fare much better in such a complex and diverse world--in which a great variety of activity is taking place that cannot be orchestrated.
- It is the USSR which insists on a relatively narrow range of outcomes to accord with its own interests: the ultimate establishment of doctrinaire left-wing states, or--failing that--turmoil in areas of interest to the West. The US on the other hand is able to live with a far greater range of political activity; we do not believe that rigid control of the activities of these states is even necessary from the Western point of view. In short, it is getting tougher for the bad guys to bunch up together.
- Although economic trends in the world are in many ways quite negative for much of the Third World--the transfer of wealth from North to South is decreasing--these issues offer the opportunity to engage US economic and technological power broadly. The USSR will be increasingly incapable of dealing with basic economic problems anywhere. These problems should play to US strengths if they are handled imaginatively. It will require greater focus on economic policy and our technological strength as a basic instrument of foreign policy. The Soviets can only seek to turn Third World social and economic discontent against the West, they cannot solve their problems.
- Socialism is now discredited virtually around the world--even among "intellectuals"--as a means of solving anything. As nations move toward some degree of privatization of the economy their priorities will inevitably be affected. Adoption of more open economic systems should have a moderating affect on the foreign policies of most states. China is a vivid example.

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10. In sum, we do see a growing--often perplexing and taxing--process of diversification and fluidity in international relations. Satisfying conclusions are perhaps less frequent but so are decisive setbacks. One thing is for sure--the USSR is generally less capable of handling, and more upset by, fluidity on the international scene than is the West. It may be small comfort but it is comfort. But it also calls for added US imagination and will.



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